

**AGENT LICENSING DIVISION
GUIDELINES FOR PROCESSING LICENSING APPLICATIONS WITH
NEGATIVE BACKGROUND INFORMATION
APPROVAL / DENIAL/PROBATION**

Initial Application

1. Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime? Yes____ No____

“Crime” includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations or convictions involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license and juvenile offenses. “Convicted” includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.

If you answer yes, you must attach to this application:

- a) a written statement explaining the circumstances of each incident,
- b) a copy of the charging document, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

If you have a felony conviction, have you applied for a waiver as required by 18 USC 1033?

N/A__ Yes __ No__

If so, was that waiver granted? (Attach copy of 1033 waiver approved by home state.)

N/A__ Yes__ No__

Renewal Application

1. Since the last home state renewal, have you been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld? Yes____ No____

Agent Licensing checks to make sure all three of the above-mentioned requests are attached to the application. When all documentation is complete, the application goes to “review.” Details on what exactly is needed are as follows:

- a written statement explaining the circumstances of each incident (Must be VERY detailed – complete explanation – not just three or four sentences.)
- a copy of the charging document (police citation, indictment, warrant, or other court document you received when charges were made).
- a copy of the official document which demonstrates the resolution of the charges or any final judgment (Court document showing final judgment of conviction, diversion agreement, or final court order signed by judge.
- If these documents are no longer available from the court office, then a letter must be submitted from that court office stating they have been destroyed, OR a computer printout from the court office that is “certified” by a court employee may be submitted in lieu of the original documents.

Initial Application

2. Have you or any business in which you are or were an owner, partner, officer or director, or member or manager of limited liability company ever been involved in an administrative proceeding regarding any professional or occupational license, or registration? Yes_____ No_____

Renewal Application

2. Since the last home state renewal, have you or any business in which you are or were an owner, partner, officer, or director ever been involved in an administrative proceeding regarding any professional or occupational license?

“Involved” means having a license censured, suspended, revoked, canceled, terminated; or being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation or surrendering a license to resolve an administrative action. “Involved” also means being named as a party to an administrative or arbitration proceeding which is related to a professional or occupational license. “Involved” also means having a license application denied or the act of withdrawing an application to avoid a denial. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application:

- a) a written statement identifying the type of license and explaining the circumstances of each incident,
- b) a copy of the Notice of Hearing or other document that states the charges and allegations, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment. (Consent Decree, Agreed Order, Stipulation Agreement, or letter from state issuing penalty.)

Agent Licensing checks to make sure all three of the above-mentioned requests are attached to the application. If not, Agent Licensing writes back to the applicant to obtain these records. After receiving all attachments, the application goes to “review.”

Initial Application

3. Has any demand been made or judgment rendered against you or any business in which you are or were an owner, partner, officer, or director, or member or manager of a limited liability company, for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Do not include personal bankruptcies, unless they involve funds held on behalf of others. Yes_____ No_____

If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type, date, and location of bankruptcy.

Agent Licensing reviews all documentation on demand, judgment, or bankruptcy. The applicant is contacted if additional documentation is required for determination. If there is a bankruptcy other than personal, Agent Licensing requests that the “Discharge of Debtor” is attached to application with a brief explanation of reason for bankruptcy. Also, if the bankruptcy happened within the last 2 years, a list of creditors must be supplied. Agent Licensing accepts faxed copies.

- **NOTE relative bankruptcies:**

- Do not include personal debt such as credit cards, mortgages, hospital bills, automobile debts.
- This answer requires that you reveal business bankruptcies.

4. Have you been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes_____ No_____

If you answer yes, identify the jurisdiction(s): _____

According to KRS 304.9-440 (1)(o) and other applicable state law, the Department denies any applicant who has delinquent tax obligation that is not the subject of a repayment agreement in Kentucky. However, we will keep the application in a pending status for an extended period of time to allow applicant to contact Kentucky Revenue Cabinet and set up a repayment agreement. It may be necessary to issue an agreed order of probation for the same period of time it takes to repay the obligation to the State. Once the agreed order is signed by the applicant and the Commissioner, the application will be processed.

Initial Application

- 5. Are you currently a party to, or have you ever been found liable in, any lawsuit, arbitration, or mediation proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty?** Yes_____ No_____

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident, (*Written statement giving full details of each incident involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty.*)**
- b) a copy of the petition, complaint or other document that commenced the lawsuit or arbitration, or mediation and**
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.**

Agent Licensing checks to make sure all three of the above-mentioned requests are attached to the application. If not, Agent Licensing writes back to the applicant to obtain these records. After all documentation is received, application goes to "review."

Initial Application

- 6. Have you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct?** Yes_____ No_____

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and**
- b) copies of all relevant documents.**

Agent Licensing checks to make sure all of the above-mentioned requests are attached to the application. If not, Agent Licensing writes back to the applicant to obtain these records. After all documentation is received, application goes to "review."

Initial Application

- 7. Do you have a child support obligation in arrearage?** Yes_____ No_____

If you answer yes,

- a) by how many months are you in arrearage?**
- b) are you currently subject to and in compliance with any repayment agreement?**
- c) Are you the subject of a child support related subpoena warrant?**
(If you answered yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)

Agent Licensing requires applicant to submit official documentation showing that child support payments are being made. This may be a computer printout from court-ordered overseer of the account, or a copy of pay stubs showing automatic withdrawal of child support payments.

NOTES:

- Our primary goal is to process application without infractions and applications with legal background infractions that are not serious within one to two business days. The Division's business history indicates that most documents can be successfully processed within that timeframe.
- Any time a background infraction is disclosed, the review may require additional days to process. Based on the charges, the application may be pending review for several weeks, even several months. Occasionally, it is necessary to contact other attorneys or court offices to obtain all the information we need to make a fair judgment.
- A decision for application is never made by discussing background infractions by phone prior to application. All background infractions are reviewed individually, on a case-by-case basis.